

# FINANCIAL MANAGEMENT ADVISORY COMMITTEE MINUTES

March 7, 2007

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The Financial Management Advisory Committee met on March 7, 2007. The following were in attendance:

<u>NAME</u>	<u>DEPARTMENT/DIVISION</u>
Andrea Beck	DESE
Becky Imhoff	DOR
Brent Miller	MSHP
Carol Newgard	SAO
Cathy Long	Lottery
Chris Laughlin	MSHP
Cindy Luebbering	DNR
Dan Case	STO
Dan Redel	PSC
Dana Kliethermes	MDA
Diane Riddle	MGC
Gary Irwin	MOSERS
Janelle Jaegers	MDHE
Jayne Masek	DOC
Judy Gerke	DED
Julie Miller	MVC
Ken Kuster	SAO
LaVerne Brondel	DNR
Leigh Ann Wilbers	Conservation
Mary Lee Stegeman	Supreme Court
Melissa Kampeter	OSCA
Mike Clark	Mental Health
Nicole Hackmann	STO
Rachel Anderson	OA-ITSD
Renee Godsey	DHSS
Robin Burkhart	DESE
Sarah Clardy	DESE-VR
Sherry Hess	Professional Registration
Shirley Gerling	Insurance
Stacy Jacobs	STC
Tom Sadowski	OA
Tom Veasman	MoDOT
Tonya Brady	OA

## **Presentation:**

Tom Sadowski, Office of Administration (OA), Division of Accounting, presented an update on the status of agency agreements and expenditure review. Tom stated that OA Accounting received three staff positions in the Fiscal Year 2007 budget to perform expenditure reviews.

Tom explained that the cooperative agreements are to be signed by each department director and chief financial officer and forwarded to OA. Each agency is responsible for ensuring the appropriate guidelines are followed in order to maintain adequate internal controls and maintain proper spending.

Tom noted that OA's compliance auditors were eliminated several years ago due to budget constraints. The delegation of authority review was shifted to each respective agency. A task force of the National Association of Auditors, Controllers and Treasurers (NAACT) is currently reviewing software that will monitor expenditures which would fulfill the compliance audit function.

Tom stated that the OA Accounting staff has done a lot of work concerning expenditure review. The staff needs to meet with the OA Commissioner before moving ahead.

The OA staff is currently conducting analysis of purchasing card expenditures.

#### **Status Reports:**

State Treasurer's Office - Nicole Hackmann stated that the transition to UMB as the state's disbursement bank went smoothly. Checks dated March 1 and after are now presented to UMB. Checks dated prior to March 1 are presented to Central Bank.

Office of Administration, Division of Accounting – Tom Sadowski stated that OA is continuing to push electronic payments. OA is exploring a change requiring all new and existing employees to receive electronic payments unless an exemption is filed with OA. OA will use the same bank account for all payments (i.e. payroll and expense accounts). OA is also continuing to work with vendors to accept electronic payments.

The tentative date for the new check stock implementation is May 1. The envelope specifications are being finalized.

Tom indicated that he meets with OA IT monthly about SAMII. Tom wants to establish a work group to review SAMII needs. The work group would consist of a member from each of OA's four business areas plus three agency members that rotate. Tom noted that he is also working to establish a web-site that shows the status of SAMII IT work orders.

Tom stated that proposed changes to the travel regulations are forthcoming. The rule will reflect high-level policy. OA will then institute a travel procedure. This will make it easier to update travel guidelines. A draft of the proposed rule is anticipated within the next week. Tom stated that he will distribute it for comment.

Tom stated that information will be disseminated soon regarding the purchasing card versus direct bill. OA anticipates moving away from direct bill in lieu of the travel desk and purchasing card.

**Addition to the Agenda:**

Meeting Frequency and Meeting Format - Lengthy discussion was held regarding the frequency and format of the FMAC meetings. Members discussed topics such as group purpose, policy-making, advisory groups, agency input and suggestions regarding policies/procedures, chair rotation, frequency of meetings (every other month or quarterly), presentations, CPE, subcommittees/work groups, and a web-site/home page for FMAC (to post minutes, agenda, presentations, etc.).

Becky Imhoff stated that she would forward an e-mail to members summarizing the discussion. She will request that everyone respond.

The next meeting is scheduled for Wednesday, May 2, at 8:30 in Room 500 of the HSTOB. The topic of discussion is RCK, presented by Central Bank.